

12.6 percent increase in home sales within 2009 due to federal tax credit

Calls for extension of federal tax credit to ensure home sales continue to rise

Cherry Hill, NJ - Congressman John Adler (NJ-03), a member of the House Financial Services Committee, today released a report highlighting how the first-time homebuyer tax credit has helped stabilize New Jersey and Pennsylvania's housing market. Joined by the New Jersey Association of REALTORS®, Congressman Adler called for an extension of the federal program.

"New Jersey families are finally seeing the housing market begin to rebound," Congressman Adler said. "We can't afford to stop this progress. This tax credit is playing a substantial role in preserving home equity for hard working middle class families across our region. Congress needs to extend this tax credit immediately."

"Here in the Garden State, the first-time homebuyer tax credit has had a significantly positive impact," said 2009 New Jersey Association of REALTORS® President Diane Dilzell, CRS and e-PRO. "New Jersey REALTORS® have seen first-hand the tax credit's success in helping more first-time buyers achieve their dreams of homeownership. In many instances, it was the main motivation to get them off the fence and into the housing market."

Dilzell added, "Without question, over the last several months, we have definitely seen improvements in the market. However, lawmakers need to take steps to keep this recovery going by extending and expanding this invaluable tax credit."

Highlights from Congressman Adler's report:

- In New Jersey, predictions show that by December 1, 2009, there will be about 45,700 first-time home buyers in New Jersey who will have claimed the credit. That is 6,500 more home sales than in 2008.
- The most recent number of projected sales for 2009 in New Jersey is 12.6 percent higher than the number projected in the first quarter of 2009. In just three months, the first-time homebuyer tax credit helped increase sales in the area substantially.
- In Pennsylvania, 67,000 first-time buyers will be able to take advantage of the tax credit.
- The National Association of Realtors estimates that about 1.8 to 2.0 million first-time buyers will take advantage of the tax credit this year, with approximately 350,000 additional sales that would not have taken place without the credit.
- As New Jersey families benefit from the first-time homebuyers tax credit, the average price of

a single family home in New Jersey has increased by almost \$9,000.

In addition, Congressman Adler spoke of the 2,900 Army National Guardsmen that New Jersey welcomed home from a 10-month deployment overseas in June. "America's servicemen and women who were deployed abroad have not been able to take advantage of the first-time homebuyer tax credit," Congressman Adler said. "All of these men and women who have deployed overseas in service to our country deserve the same opportunity as all Americans to use the tax credit to purchase a home."

Congressman Adler called on House leadership to extend this program for first-time homebuyers and service members. An extension of this program will continue to stabilize the housing market and spur economic recovery in the region.

Earlier this year, the American Recovery and Reinvestment Act of 2009 was passed by Congress and signed by the President. The recovery package increased the value of the first-time homebuyer tax credit and extended the period over which the credit applies. A first-time homebuyer may claim an \$8,000 tax credit, which effectively reduces the purchase price of a home dollar for dollar. To qualify for the credit, the home must have been purchased after January 1, 2009, and before December 1, 2009, which is an eleven month timeframe.

Congressman Adler's report, [Extending the First Time Homebuyer Tax Credit](#), can be found by clicking [here](#)

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